

Department of Justice

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WISCONSIN ADVERTISING DISPLAY COMPANY AND TWO TOP EXECUTIVES AGREE TO PLEAD GUILTY AND PAY OVER \$9 MILLION FOR RIGGING BIDS AND FIXING PRICES ON BREWERY CONTRACTS

WASHINGTON, D.C. -- A Wisconsin advertising display company and two of its top executives today agreed to plead guilty and pay over \$9 million in fines for conspiring to fix prices and rig bids on advertising displays sold to Miller Brewing Company and Anheuser-Busch Inc., said the Department of Justice.

This is the largest criminal antitrust fine in the point-ofpurchase display industry.

The Department's Antitrust Division filed criminal charges today in U.S. District Court in Milwaukee, against Everbrite Inc., of Milwaukee. The company was charged with engaging in conspiracies to rig bids and fix prices on point-of-purchase display contracts to Miller Brewing Company and Anheuser-Busch Inc., respectively, over a 10-year period. Everbrite and the Department have agreed to recommend that Everbrite pay a \$9 million fine.

"This \$9 million fine represents the largest criminal antitrust fine in the point-of-purchase display industry," said

Joel I. Klein, Assistant Attorney General, in charge of the Department's Antitrust Division. "This fine sends a strong signal that collusion, in this or any industry, will not be tolerated."

Two of Everbrite's executives, Jon S. Wamser of Mukwonago, Wisconsin and Henry C. Zeni of Brookfield, Wisconsin, were charged separately with conspiring to rig bids and fix prices on point-of-purchase display contracts to Miller Brewing Company and Anheuser-Busch Inc., respectively. The Department and attorney's for both Wamser and Zeni are recommending they each be sentenced to 13-month jail terms and pay fines of \$350,000 and \$100,000, respectively.

Point-of-purchase displays include plastic and neon bar taps, clocks, inflatables, lamps, lights, and signs which contain the breweries' brand advertising. Major breweries in the U.S. purchase more than \$100 million of these displays each year for distribution in bars, liquor stores, and restaurants throughout the country.

The cases charge that Everbrite Inc., Wamser, Zeni, and coconspirators conspired to suppress and eliminate competition by fixing prices, rigging bids, and allocating contracts for the sale of point-of-purchase displays to Miller Brewing Company and Anheuser-Busch Inc., respectively, from the mid-1980's to January 1996, in violation of the Sherman Antitrust Act.

Earlier this year, the Division filed cases against three of the co-conspirators--Zelman Levine, former president of Lakeside Ltd. Inc., Schutz International Inc. and its former president,

Richard F. Machas. The three co-conspirators have agreed to plead guilty and pay fines totaling \$800,000.

The investigation is being conducted by the Antitrust Division's Chicago Field Office and the Federal Bureau of Investigation in Milwaukee with the assistance of the U.S. Attorney for the Eastern District of Wisconsin.

The maximum penalty for a corporation convicted of an antitrust violation under Section 1 of the Sherman Act is a fine of \$10 million, twice the pecuniary gain the corporation derived from the crime, or twice the pecuniary loss suffered by the victims of the crime, whichever is greater.

The maximum penalty for an individual convicted of an antitrust violation under Section 1 of the Sherman Act is three years in prison and a fine of \$350,000, twice the pecuniary gain the individual derived from the crime, or twice the pecuniary loss caused to the victims of the crime, whichever is greater.

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